

COLORADO Division of Reclamation, Mining and Safety Department of Natural Resources

MINERALS PROGRAM INSPECTION REPORT PHONE: (303) 866-3567

The Division of Reclamation, Mining and Safety has conducted an inspection of the mining operation noted below. This report documents observations concerning compliance with the terms of the permit and applicable rules and regulations of the Mined Land Reclamation Board.

MINE NAME:		MINE/PROSPECTING ID#:	MINERAL:	COUNTY:
Pathfinder Pit		M-1994-113	Gravel	San Miguel
INSPECTION TYPE:		INSPECTOR(S):	INSP. DATE:	INSP. TIME:
Monitoring		Lucas J. West	November 2, 2016	10:30
OPERATOR:		OPERATOR REPRESENTATIVE:	TYPE OF OPERATION:	
Pathfinder Development, Inc		John Dourlet, Mike Horner	112c - Construction Regular Operation	
REASON FOR INSPECTION:		BOND CALCULATION TYPE:	BOND AMOUNT:	
Normal I&E Program		None	\$43,488.00	
DATE OF COMPLAINT:		POST INSP. CONTACTS:	JOINT INSP. AGENCY:	
NA		None	None	
WEATHER:	INSPECTOR'S SIGNATURE:		SIGNATURE DATE:	
Clear	and the second s		November 21, 2016	

GENERAL INSPECTION TOPICS

This list identifies the environmental and permit parameters inspected and gives a categorical evaluation of each. No problems or possible violations were noted during the inspection. The mine operation was found to be in full compliance with Mineral Rules and Regulations of the Colorado Mined Land Reclamation Board for the Extraction of Construction Materials and/or for Hard Rock, Metal and Designated Mining Operations. Any person engaged in any mining operation shall notify the office of any failure or imminent failure, as soon as reasonably practicable after such person has knowledge of such condition or of any impoundment, embankment, or slope that poses a reasonable potential for danger to any persons or property or to the environment; or any environmental protection facility designed to contain or control chemicals or waste which are acid or toxic-forming, as identified in the permit.

(AR) RECORDS <u>Y</u>	(FN) FINANCIAL WARRANTY <u>N</u>	(RD) ROADS <u>N</u>
(HB) HYDROLOGIC BALANCE <u>N</u>	(BG) BACKFILL & GRADING <u>N</u>	(EX) EXPLOSIVES <u>N</u>
(PW) PROCESSING WASTE/TAILING <u>N</u>	(SF) PROCESSING FACILITIES N	(TS) TOPSOIL <u>N</u>
(MP) GENL MINE PLAN COMPLIANCE- <u>Y</u>	(FW) FISH & WILDLIFE <u>N</u>	(RV) REVEGETATION <u>N</u>
(SM) SIGNS AND MARKERS Y	(SP) STORM WATER MGT PLAN <u>N</u>	(CI) COMPLETE INSP <u>Y</u>
(ES) OVERBURDEN/DEV. WASTE <u>N</u>	(SC) EROSION/SEDIMENTATION Y	(RS) RECL PLAN/COMP <u>N</u>
(AT) ACID OR TOXIC MATERIALS <u>N</u>	(OD) OFF-SITE DAMAGE <u>Y</u>	(ST) STIPULATIONS <u>N</u>

Y = Inspected and found in compliance / N = Not inspected / NA = Not applicable to this operation / PB = Problem cited / PV = Possible violation cited

OBSERVATIONS

This inspection was conducted as part of the normal monitoring program established by the Colorado Division of Reclamation Mining and Safety as well as the pending Succession of Operator application (SO-3) filed by the operator. The Pathfinder pit is 112(c) permit that is currently in Temporary Cessation. The period of Temporary Cessation began on July 15, 2013 and ends on July 15, 2018. The site is located approximately 2.8 Miles west of Ophir, CO at 9500 feet in elevation and lies just off Highway 145. Access to the site is controlled by a locked gate. John Dourlet of Pathfinder Development, Inc. as well as Mike Horner of San Miguel County were present during the inspection. The pending Succession of Operator is to transfer the permit from the current operator, Pathfinder Development, Inc. to San Miguel County. Six Photos accompany this report to illustrate current site conditions.

Proper mine identification signage is posted at the entrance to the site, as Seen in Photo One. At the completion of the Succession of Operator, the sign will need to be updated to reflect the new operator's information. The access road in the permitted area appears to be stable and in good condition. A storage and stockpile area is located in the northern section of the permitted area. The road and storage area can be seen in Photos Two and Three. Discussions with the operator and county representative indicate that the area was constructed in conjunction with the County Engineer and meets their specifications. There are three piezometers installed in the storage area to monitor the integrity of the construction.

The main excavation and stockpile area is located in the southern section of the permitted area. The mining areas, which can be seen in Photo Four and Five, consist of a hillside which is being mined at a near reclamation grade, as well as a small pit area located adjacent to the hillside. Both mining areas appear to be stable and in good condition. No signs of significant erosion, settling, slumping or failure was noted during the inspection. Several stockpiles of various sized materials were noted on site, all materials stockpiled were in good condition. At the southern edge of the site the topsoil stockpile was observed. It is well vegetated, stable, in good condition and can be seen in Photo Six.

The Overall footprint of the site is in good condition and free from trash and debris. No evidence of significant erosion was noted and no noxious weeds were observed during the inspection. The Division is approving the Succession of Operator, SO-3. Please see the enclosed Decision Documents for details. All responses to this report should be directed to Lucas West at the Colorado Division of Reclamation, Mining and Safety at 1313 Sherman Street, Room 215, Denver CO, 80203 or by phone at (970)-243-6368 or by email at lucas.west@state.co.us.

PERMIT #: M-1994-113 INSPECTOR'S INITIALS: LJW INSPECTION DATE: November 2, 2016

PHOTOGRAPHS



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Inspection Contact Address

John Dourlet Pathfinder Development, Inc P.O. Box 797 Telluride, CO 81435

Enclosure: Succession of Operators Approval, SO-3

CC: Mike Horner, San Miguel County Road and Bridge